#### THE MINERAL INDUSTRY OF

# LITHUANIA

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The mining industry of Lithuania extracted peat and such industrial minerals as clays and sand and gravel. Lithuania had been among the leading countries of the former Soviet Union in the production of lime, cement, and bricks. During the 1980's, more than 290 enterprises were engaged in the production of industrial minerals, which included nitrogenous fertilizer, and more than 240 sand and gravel deposits were being exploited. The country's peat production was used in agriculture as compost and litter. Although no reports have been found since the breakup of the Soviet Union regarding the development of new mines or enterprises that produced industrial minerals, some facilities have probably reduced or stopped production.

In the energy sector, the Ignalina nuclear powerplant, which was a graphite-moderated pressure-tube reactor (RMBK), generated about 70% of the country's electricity output. The plant was to be shut down entirely because it was considered to be unsafe owing to its two RBMK-type reactors, which are similar to those which caused the Chernobyl disaster in 1986. The first reactor was scheduled for closure in 2005 (Foreign Broadcast Information Service, September 29, 2000, IAEA vows assistance towards Lithuanian nuclear reactor decommissioning, Tallinn BNS in English, accessed October 4, 2000, at URL http://fbis.fedworld.gov).

Lithuania produced a small amount of crude oil and operated a large petroleum refinery at Mazeikiai, which was the only refinery in the Baltic States; no coal or natural gas was produced. Almost all the country's oil and gas was imported from Russia. The Russian firm Gazprom had asked permission to construct an export pipeline route through Lithuania, which would enable Lithuania to become an important transshipper for Russian gas to world markets (U.S. Energy Information Administration, January 2000, Lithuania, Country Analysis Briefs, accessed October 5, 2000, at URL http://www.eia.doe.gov/emeu/cabs/lithuania.html).

In 1999, Lithuania's gross domestic product, which was calculated in 1995 constant prices, decreased by 4.1%, and sales of output from mining and manufacturing decreased by 7.9% compared with that of 1998 (Statistikos departamentas prie Lietvuvos Respublikos Vyriausybes, October 2, 2000, Main economic indicators in 1994-1999, accessed October 3, 2000, at URLhttp://www.std.lt/informacija/kita\_info/bendras\_vidaus\_produktas\_e.htm). In 1999, the country's value of exports decreased by 19%, and value of imports, by 16.6% compared with that of the same period in 1998. Lithuania's major trading partners were Russia and Germany, which were major exporters to Lithuania. The trade categories "Mineral products" and "Base metals and articles of base metals" together totaled 18.6% and 22.1% of the total value of exports and imports, respectively (Statistics Department of Lithuania, 2000, Foreign trade,

accessed October 3, 2000, at URL http://www.std.lt/infomacoja/kita info/uzsienio prekyba en.htm).

The country was a major transshipper of mineral products, mainly through its Baltic Seaport of Klaipeda. In 1999, the weight of goods loaded and unloaded at Klaipeda increased to 15.66 million metric tons (Mt) in comparison with 15.02 Mt in 1998 (Statistikos departamentas prie Lietvuvos Respublikos Vyriausybes, October 2, 2000, Main economic indicators in 1994-1999, accessed October 3, 2000, at URL http://www.std.lt/informacija/kita info/bendras vidaus produktas e.htm).

Construction of a loading terminal for crude oil and petroleum products was underway at the Baltic seaport of Butinge. The first stage was completed in 1995. The terminal reportedly was to have a designed cargo-handling capacity for exporting 8 million metric tons per year (Mt/yr) and importing 5 to 6 Mt/yr of oil, unspecified regarding the percentage of crude oil versus petroleum products (Interfax Petroleum Report, 2000; Williams International, [undated], Lithuania—Oil infrastructure, accessed October 5, 2000, at URL http://www.williams.com/international/lithuan.htm). In 1999, the terminal reportedly shipped 700,000 t of oil, unspecified according to the percentage of crude oil versus petroleum products (Interfax Petroleum Report, 2000).

In 1999, the U.S. firm Williams International purchased 33% of a new firm, AB Mazeikiu Nafta, that was created by the merger of the Mazeikiai refinery, Butinge Nafta, which was responsible for operating the new Butinge port, and Naftotiekis, which operated the 720-millimeter-diameter Birzu oil pipeline that transported Russian crude oil to Latvia and Lithuania (Williams International, [undated], Lithuania—Oil infrastructure, Country Analysis Briefs, accessed October 5, 2000, at URL http://www.williams.com/international/ lithuan.htm). Williams would be able to achieve a controlling interest in this company in 5 years and was to upgrade the refinery to allow it to process high-grade petroleum products that would meet new European Union environmental standards (U.S. Energy Information Administration, January 2000, Lithuania, accessed October 5, 2000, at URL http://www.eia.doe. gov/emeu/cabs/lithuania.html).

Lithuania envisioned its future in the mineral industry, as do other Baltic States, mainly as a transshipper of minerals, primarily oil, from Russia, and was expanding capacity at its Butinge and Klaipeda ports. Lithuania, which was at one time the Soviet Union's primary export outlet for refined petroleum products, ranked third behind Latvia and Estonia as a petroleum transshipment center (U.S. Energy Information Administration, January 2000, Lithuania—Modernization of Mazeikiai refinery and ports, Country Analysis Briefs, accessed October 5, 2000,

at URL http:www.eia.doe.gov/emeu/cabs/lithuania.html).
For more extensive coverage of the mineral industry of
Lithuania, see the 1997 Minerals Yearbook, volume III, Mineral
Industries of Europe and Central Eurasia.

#### **Reference Cited**

Interfax Petroleum Report, 2000, Investment in Lithuanian refinery reconstruction to exceed \$400 mln.: Interfax Petroleum Report, v. 9, issue 30, July 21-27, p. 9.

#### **Major Sources of Information**

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TABLE 1 LITHUANIA: PRODUCTION OF MINERAL COMMODITIES 1/2/

#### (Metric tons unless otherwise specified)

Commodity		1995	1996	1997	1998	1999
Ammonia, nitrogen content		442,000 r/	460,000 e/	467,300 r/	407,300 r/	400,600
Cement		649,000	700,000	714,000	788,300 r/	666,000
Limestone		218,000	233,000	250,000 e/	250,000 e/	250,000 e/
Peat		214,000	250,000 e/	295,200	202,000 r/	379,600
Petroleum:						
Crude	thousand tons	100 r/	150 r/	160 r/	200 r/	250 e/
Refinery products		857,600 r/	3,740,000	5,029,400	6,433,900	4,506,700

e/ Estimated. r/ Revised.

## TABLE 2 LITHUANIA: STRUCTURE OF THE MINERAL INDUSTRY IN 1999 1/

#### (Thousand metric tons unless otherwise specified)

Commod	ity	Major operating companies	Location of main facilities	Annual capacity e/
Ammonia, nitrogen content		Jonava nitrogenous fertilizer plant	Jonava	500.
Cement		Akmyantsementas enterprise	Akmyane	2,500.
Clays, for brick production	cubic meters	Production at 19 deposits with the largest production facilities:	Daugelai	1,500,000 (total
		Daugelskoye plant exploiting the Daugelai deposit,		for 19 deposits).
		Ignalinskoye plant exploiting the Dinsa deposit	Ignalina region	
		Tauragskoye enterprise exploiting the Taurage deposit	Taurage region	
Clays, for concrete aggregates		Krunay deposit	Krunay region in central	500.
			Lithuania	
Clays, for cement		Saltiniskiai deposit	Saltiniskiai region	2,000.
Limestone		Karpenai deposit for cement production	Karpenai region	8,000.
Peat		Production at 11 eneterprises exploiting 55 deposits	Siauliai region	350.
		Largest eneterprises are: Siauliai exploiting Didisis-		
		Tiryalis and Sulinkiu deposits		
Do.		Ezherelskoye exploiting Ezherelis and Pales deposits	Ezherelis region	400.
Do.		Ionovskoye exploiting Paraistis and Disisis-Raystas	Paraistis region	300.
		deposits		
Do.		Baltoyi-Bokeskoye exploiting Baltoyi and Vokeskoye	Baltoyi-Boke region	300.
		deposits		
Petroleum, crude		Geonafta	NA	NA.
Do.		Geniciai Oil	NA	NA.
Do.		Minja Oil	NA	NA.
Petroleum, refined		Mazeikiai petroleum refinery	Mazeikiai	15,000.
Sand and gravel	million cubic meters	246 deposits under exploitation. Largest enterprises are	Trakai region	20 (total for 246
		Trakaijskoye association exploiting Serapinshkes deposits		deposits).
		Rizgonskiy and Yurbarkskiy plants exploiting	Rizgonys region	
		Rizgonys and Kalnenay deposits		
Sand (for glass)		Anyksciai deposit	Anyksciai	150.

e/ Estimated. NA Not available.

<sup>1/</sup> Table includes data available through October 2000. The country produces other industrial minerals including clays and sand and gravel; consistent data is unavailable for deriving a multiyear production series.

<sup>2/</sup> Estimated data are rounded to no more than three significant digits.

<sup>1/</sup> Production may have been curtailed or ceased at a number of enterprises listed as mining industrial minerals as current information has not been available to update enterprise listings.